

1 Miles Woodlief (SBN124467)  
2 Archer<sup>TM</sup>  
3 775 East Blithedale Avenue  
4 Suite 514  
5 Mill Valley, California  
6 phone: (415) 730-3032  
7 facsimile:(415) 366-2956  
8 Attorney for Debtor and Debtor-in-Possession

9 UNITED STATES BANKRUPTCY COURT  
10 FOR THE NORTHERN DISTRICT OF CALIFORNIA  
11 (Oakland Division)

12 In Re: ) Chapter 11  
13 Nutrition 53, Inc. ) Case No.: 4:23-bk-40997  
14 )  
15 ) CHAPTER 11 FOURTH STATUS  
16 Employer's Tax Identification (EIN) No. : ) CONFERENCE STATEMENT  
17 30-0369583 )  
18 Debtor

19 THE DEBTORS' BANKRUPTCY CASE

20 **Nature of operations and factors leading to bankruptcy filing:**

21 Debtor-in-Possession (Debtor") is a retailer of specific nutritional supplements. It offers  
22 its products wholesale and retail level and via online marketplaces.

23 The IRS began to levy against its commercial relationships, creating as cash flow  
24 problem that was unsustainable. Bankruptcy was the only process available to curtail those  
25 activities.

**Debtor's attendance at § 341(a) Meeting of Creditors**

The Debtor has attended the 341 meeting and provided to the U.S. Trustee all requested  
tax and operational documents.

1                   **Estate's need for professionals**

2                   The estate has established liquidity. Counsel has submitted his Employment  
3 Application to the Board for approval and it has just been unanimously approved. Counsel  
4 will now file that Application immediately. As noted previously, Counsel's Application will  
5 be prospective and will at no time include legal services rendered prior to the date of the  
6 application. Those will be deemed *pro bono*. Out of pocket costs will, however, be sought.  
7 Debtor may, in the future, seek to retain an accountant to review its financial predicates for  
8 the Plan.  
9

10                   **Debtor's Reporting And Payment Obligations**

11                   Debtor is current through August 2024 with its Operating Reports. Counsel is informed  
12 that Debtor is current with his quarterly U.S. Trustee fees.

13                   **Interest Bearing Account for recovered funds**

14                   As Debtor will be shortly commencing its objections to claims, it will be opening an  
15 interest-bearing account for the funds recovered for the estate.

16                   **Status of Disclosure Statement and Plan**

17                   Debtor has commenced the preparation of its Reorganization Plan and Disclosure  
18 Statement and Objections to Claims. It anticipates filing within 30 days after the approval of his  
19 Employment Application. This is a change in the process anticipated in the prior Conference  
20 but has been deemed prudent in light of the objections process and recent changes in the status  
21 of the District Court matter.  
22

23                   **Unique issues regarding secured debt**

24                   Debtor intends to avoid its unsecured or under secured liens, or both, under 11 USC  
25 §506, including motions per *In re Lam* 211 B.R. 36 (9<sup>th</sup> Cir. BAP 1997). Debtor anticipates

1 not more than two (2) liens that will be impacted.

2 **Financial results from post-petition operations**

3 As the operating reports reveals, the Debtor has begun to see expected income levels  
4 return and is seeing growth without complication. The income from the licensing agreements  
5 is now consistent and growing steadily, allowing for the visible basis for a budget and t  
6 predicated strategy for its Reorganization Plan.

7 **Litigation status**

8 The previously pending District Court had been administratively dismissed. The Parties  
9 will Stipulate to the reinstatement of that case the week of September 23, 2024 and will reset  
10 the trial date and all discovery, and motion deadlines.

11 **Compliance with U.S. Trustee's requests**

12 Debtor is in full Compliance with the U.S. Trustees requests.

13 **An outline of the proposed Chapter 11 plan**

14 The Plan will either pay 100% to all creditors if the IRS claim or lien, or both, are  
15 invalidated or will provide significantly less if it is not.  
16  
17  
18

19 

20 Dated: September 18, 2024

21 By: \_\_\_\_\_

22 Miles Archer Woodlief  
23 Attorney at Law  
24 775 East Blithedale Ave., #514  
25 Mill Valley, CA 94941  
phone: (415) 730-3032  
facsimile:(415) 366-2956